



Senate

General Assembly

January Session, 2011

File No. 561

Senate Bill No. 843

Senate, April 18, 2011

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING RECIPIENTS OF FINANCIAL ASSISTANCE
BY THE CONNECTICUT DEVELOPMENT AUTHORITY.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 32-11a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2011*):

4 (c) The board of directors of the authority shall consist of the
5 Commissioner of Economic and Community Development, the State
6 Treasurer and the Secretary of the Office of Policy and Management,
7 each serving ex officio, four members appointed by the Governor who
8 shall be experienced in the field of financial lending or the
9 development of commerce, trade and business and four members
10 appointed as follows: One by the president pro tempore of the Senate,
11 one by the minority leader of the Senate, one by the speaker of the
12 House of Representatives and one by the minority leader of the House
13 of Representatives. Each ex-officio member may designate a deputy or

14 any member of the agency staff to represent the member at meetings of
15 the authority with full powers to act and vote on the member's behalf.
16 The chairperson of the board shall be appointed by the Governor, with
17 the advice and consent of both houses of the General Assembly. The
18 board shall annually elect one of its members as vice chairperson. Each
19 member appointed by the Governor shall serve at the pleasure of the
20 Governor but no longer than the term of office of the Governor or until
21 the member's successor is appointed and qualified, whichever is
22 longer. Each member appointed by a member of the General Assembly
23 shall serve in accordance with the provisions of section 4-1a. Members
24 shall receive no compensation but shall be reimbursed for necessary
25 expenses incurred in the performance of their duties under the
26 authority legislation, as defined in subsection (hh) of section 32-23d.
27 The Governor shall fill any vacancy for the unexpired term of a
28 member appointed by the Governor. The appropriate legislative
29 appointing authority shall fill any vacancy for the unexpired term of a
30 member appointed by such authority. A member of the board shall be
31 eligible for reappointment. Any member of the board may be removed
32 by the Governor for misfeasance, malfeasance or wilful neglect of
33 duty. Each member of the authority before entering upon his or her
34 duties shall take and subscribe the oath or affirmation required by
35 article XI, section 1, of the State Constitution. A record of each such
36 oath shall be filed in the office of the Secretary of the State. Meetings of
37 the board shall be held at such times as shall be specified in the bylaws
38 adopted by the board and at such other time or times as the
39 chairperson deems necessary. The board is empowered to adopt
40 bylaws and regulations for putting into effect the provisions of said
41 chapters and sections. Not later than November first, annually, the
42 authority shall submit a report to the Commissioner of Economic and
43 Community Development, the Auditors of Public Accounts and the
44 joint standing committees of the General Assembly having cognizance
45 of matters relating to the Department of Economic and Community
46 Development, appropriations and capital bonding, which shall include
47 the following information with respect to new and outstanding
48 financial assistance provided by the authority during the twelve-

49 month period ending on June thirtieth next preceding the date of the
50 report for each financial assistance program administered by the
51 authority: (1) A list of the names, addresses and locations of all
52 recipients of such assistance, (2) for each recipient: (A) The business
53 activities, (B) the Standard Industrial Classification Manual codes, (C)
54 the gross revenues during the recipient's most recent fiscal year if the
55 recipient is an organization that makes such information public in the
56 normal course of business, or, if the recipient does not make such
57 information public in the normal course of business, the gross revenue
58 information shall be provided for a recipient separately, using a
59 system in which no recipient is listed by name but each is given a
60 separate identity in a manner consistent with the provisions of
61 subsection (a) of section 32-244, (D) the number of employees at the
62 time of application, (E) whether the recipient is a minority or woman-
63 owned business, (F) a summary of the terms and conditions for the
64 assistance, including the type and amount of state financial assistance,
65 job creation or retention requirements, and anticipated wage rates, and
66 (G) the amount of investments from private and other nonstate sources
67 that have been leveraged by the assistance, (3) the economic benefit
68 criteria used in determining which applications have been approved or
69 disapproved, and (4) for each recipient of assistance on or after July 1,
70 1991, a comparison between the number of jobs to be created, the
71 number of jobs to be retained and the average wage rates for each such
72 category of jobs, as projected in the recipient's application, versus the
73 actual number of jobs created, the actual number of jobs retained and
74 the average wage rates for each such category. The Governor and the
75 chairpersons and ranking members of the joint standing committees of
76 the General Assembly having cognizance of matters relating to the
77 Department of Economic and Community Development,
78 appropriations and capital bonding may, after a request to the
79 Connecticut Development Authority by any of said persons, examine,
80 in confidence, the detailed data, including the specific revenue data for
81 each recipient not listed by name, submitted pursuant to subparagraph
82 (C) of subdivision (2) of this section. The chairpersons and ranking
83 members of said committees may disclose such data to the members of

84 said committees, who shall also keep such data confidential. The
85 report shall also indicate the actual number of full-time jobs and the
86 actual number of part-time jobs in each such category and the benefit
87 levels for each such subcategory. In addition, the report shall state (A)
88 for each final application approved during the twelve-month period
89 covered by the report, (i) the date that the final application was
90 received by the authority, and (ii) the date of such approval; (B) for
91 each final application withdrawn during the twelve-month period
92 covered by the report, (i) the municipality in which the applicant is
93 located, (ii) the Standard Industrial Classification Manual code for the
94 applicant, (iii) the date that the final application was received by the
95 authority, and (iv) the date of such withdrawal; (C) for each final
96 application disapproved during the twelve-month period covered by
97 the report, (i) the municipality in which the applicant is located, (ii) the
98 Standard Industrial Classification Manual code for the applicant, (iii)
99 the date that the final application was received by the authority, and
100 (iv) the date of such disapproval; and (D) for each final application on
101 which no action has been taken by the applicant or the agency in the
102 twelve-month period covered by the report and for which no report
103 has been submitted under this subsection, (i) the municipality in which
104 the applicant is located, (ii) the Standard Industrial Classification
105 Manual code for the applicant, and (iii) the date that the final
106 application was received by the authority. The November first report
107 shall include a summary of the activities of the authority, including all
108 activities to assist small businesses and minority business enterprises,
109 as defined in section 4a-60g, a complete operating and financial
110 statement and recommendations for legislation to promote the
111 purposes of the authority. The authority shall furnish such additional
112 reports upon the written request of any such committee at such times
113 and containing such information as the committee may request. The
114 accounts of the authority shall be subject to annual audit by the state
115 Auditors of Public Accounts. The authority may cause an audit of its
116 books and accounts to be made at least once each fiscal year by
117 certified public accountants. The powers of the authority shall be
118 vested in and exercised by not less than six of the members of the

119 board of directors then in office. Such number of members shall
120 constitute a quorum and the affirmative vote of a majority of the
121 members present at a meeting of the board shall be necessary for any
122 action taken by the authority. No vacancy in the membership of the
123 board shall impair the right to exercise all the rights and perform all
124 the duties of the authority. Any action taken by the board under the
125 provisions of said chapters and sections may be authorized by
126 resolution at any regular or special meeting, and each such resolution
127 shall take effect immediately and need not be published or posted. The
128 authority shall be exempt from the provisions of section 4-9a.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2011	32-11a(c)

CE *Joint Favorable C/R*

GAE

GAE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill results in no fiscal impact by modifying the reporting procedures of the Connecticut Development Authority (CDA). The bill allows CDA to annually report on its financial assistance programs as currently required by C.G.S. 32-11a without publically disclosing information exempted under the Freedom of Information Act.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**SB 843*****AN ACT CONCERNING RECIPIENTS OF FINANCIAL ASSISTANCE
BY THE CONNECTICUT DEVELOPMENT AUTHORITY.*****SUMMARY:**

By law, the Connecticut Development Authority (CDA) must file an annual report on its financial assistance programs that has certain information about the companies receiving financial assistance, including each company's gross revenue for its most recent fiscal year. This bill requires CDA to report gross revenue only for companies that make the information public in the normal course of business. It requires CDA to report the gross revenues of other companies separately while concealing their names and identities. This must be consistent with the law that already exempts certain information that applicants submit to CDA (see BACKGROUND) from the Freedom of Information Act.

The bill allows the governor and chairpersons and ranking members of the Appropriations, Commerce, and Finance, Revenue and Bonding committees, after a request to CDA, to examine the detailed report data in confidence, including the specific revenue data for each company not listed by name in the report. It allows the committee chairpersons and ranking members to disclose the data to other committee members and requires that they also keep the data confidential.

EFFECTIVE DATE: July 1, 2011

BACKGROUND***Confidentiality of Information Submitted to CDA***

By law, the following information, when submitted by companies applying for or receiving assistance from CDA, is considered to be

trade secrets, or confidential commercial or financial information (unless required by law), and thus exempt from the Freedom of Information Act:

1. actual trade secrets or information intended to become a trade secret;
2. patented material or material intended for a patent;
3. marketing or business plans or plans for new products or services;
4. reports of customer orders or sales or other documents that would disclose names and addresses of customers or potential customers;
5. information concerning any individual's financial condition or personal affairs;
6. financial statements or projections;
7. sales or earnings forecasts;
8. capital or strategic plans;
9. information regarding research and development;
10. tax returns; or
11. other commercial, credit, or financial information, with respect to the company's financial condition or business operations, of a type not customarily made available to the public (CGS § 32-244(a)).

COMMITTEE ACTION

Commerce Committee

Joint Favorable Change of Reference

Yea 17 Nay 0 (02/24/2011)

Government Administration and Elections Committee

Joint Favorable

Yea 14 Nay 0 (03/30/2011)